

# **FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

## **MEETING MINUTES**

**April 21, 2000**

**Howard Johnson / Everett**

**Everett, Washington**

Board members present were Chairman Dan O'Neal, Ms. Patricia Otley, Mr. Cliff Benson, Mr. David Kalberer, Ms. Carol Moser, Mr. Ross Kelley, Ms. Barbara Cothorn, Mr. Sid Morrison, Mr. Chuck Booth, Mr. Andrew Johnsen.

**WELCOME AND INTRODUCTIONS:** Mr. Dan O'Neal welcomed all to the meeting and introduced Port Commissioner Jim Shaffer to the board. Mr. Shaffer welcomed the board to Everett, and introduced the port's executive director John Moore and deputy director Ed Paskovskis to the board.

**MINUTES:** *Ms. Pati Otley offered amendments to the March 17<sup>th</sup> minutes. Remove Ross Kelley and Pati Otley from page 3 and add Cliff Benson and Barbara Cothorn. Ms. Carol Moser moved, Mr. Sid Morrison seconded to approve the minutes from the March 17<sup>th</sup> meeting*

**MOTION CARRIED**

**EXECUTIVE DIRECTOR REPORT:** Director Schmidt explained that the FMSIB and several other agencies do not have funding after the 15<sup>th</sup> of April. The Office of Financial Management and Director Marty Brown have authorized the State Treasurer to continue to allow FMSIB to spend money for 30 days, understanding it is creating a deficit situation until the legislature authorizes a 2000 supplemental budget. A budget reduction of \$60,000 has been proposed by Governor Locke as a compromise between the House and Senate recommendations. Director Schmidt indicated that FMSIB could continue to function effectively if the budget reduction is no more than \$60,000. Cost savings have been found and some anticipated costs have been deferred to compensate for the reduction

Director Schmidt gave a brief update on the differences between the House and Senate budgets.

FMSIB received 6 letters of interest in response to our consultant search. Two firms were deemed responsive to FMSIB's RFP, and were interviewed by the Consultant Search Committee. Barbara Cothorn will fully report on the results.

H.W. Lochner and Johnsen and Johnsen were the two firms interviewed. Both firms offered excellent presentations and the Board felt either firm would have produced an excellent product.

Letters have been sent to the Association of Cities and Counties, CRAB, TIB, Washington Public Ports Association, Washington Trucking Association, WSDOT and BNSF Rail inviting them to participate in our retreat. Most have confirmed their participation and will give us a presentation on areas where they suggest FMSIB could fine tune the current criteria .

Director Schmidt reported on the PSRC roundtable meeting she attended. The PSRC has authorized 37.9 Million to assist in financing some of the FMSIB projects that are in the FAST corridor. The PSRC money is being viewed as supplanting part of FMSIB's legislative request. Some of the dollars are flexible as to which project or projects will receive them and members of the FAST Corridor are working together to keep as many projects as possible moving forward.

We do know that  $\frac{3}{4}$  of the FMSIB share of the SR- 519 project is funded as well as the total FMSIB and WSDOT share of the Port of Tacoma project, and Auburn's Third Street project out of the PSRC's authorization. There is an additional \$5 million that has been authorized in the second round that is included in this total and as yet has not been dedicated to a specific project.

Director Schmidt indicated that in May, she will be working with Ross Kelley and Carol Moser in both Spokane and the TriCities to begin to develop projects and corridors similar to the FAST Corridor in Western Washington

OFM has sent out instructions for submitting a jump start budget report that is due by May1st. Director Schmidt distributed a draft response for the board to review. Chairman O'Neal asked for any additional thoughts on the draft response. It was suggested that the Director work with Mr. Johnsen on finalizing the response to OFM.

**PROJECT AUTHORIZATION LETER:** *Ms. Barbara Cothorn moved, Mr. Sid Morrison seconded to authorize the Executive Director to work with WSDOT to move forward with transportation projects that were previously approved by the board.*  
**MOTION CARRIED**

**FAST:** Ms. Pati Otley addressed the board reviewing the recent FAST meeting. Some of the PSRC Federal money that became available recently, went to the FAST corridor projects as was stated earlier. There was a review of the FAST projects to insure that everything was on schedule because that money had to be obligated by a certain date. There is an additional 5 million similar funding available through the PSRC and there was some discussion about what project could obligate that money by May 1, 2000, and it was believed that the 3<sup>rd</sup> Street project in Auburn could obligate by that time. The consensus was that 3<sup>rd</sup> Street would make good use of that money. Ms. Otley indicated that this illustrates the fact that FAST has been meeting for over four or five years, and while some of the obligations made to those projects were made quite some time ago, all of the funding partners have remained really flexible and committed to getting the whole corridor completed.

The other aspect of the meeting focused on FAST 2. We talked about additional projects, more grade separations, and more attention paid to truck routes and truck needs. To assist in this work, a consultant, Trans-system has been selected.

**CONSULTANT INTERVIEWS:** Ms. Barbara Cothorn reported to the board the status of the consultant interviews. While we had 6 responses, some of those responses were from people that were more facilitators than experts and the committee felt that because of the nature of this project, we wanted someone with transportation expertise. We had two interviews, one was conducted via phone and the other was conducted prior to the board meeting. The committee felt they received very strong responses and either consultant could do an excellent job for the board.

One of the consultants is from back east and have a lot of national and international experience which we found very appealing and the committee also felt that the responses given from the applicant reflected that they understood the issues quite well. However, the committee selected a firm that has an office in Bellevue.

HW Lockner has offices in Chicago and Bellevue. Denny Ingham, who works for them, demonstrated his strong knowledge of the program and his discussion of the challenges were so incisive and so much to the point that we really felt that with a short timeline and the money we have available, that Denny Ingham and the HW Lockner firm represented our best option at this point. The interviewing committee was Ms. Pati Otley, Mr. Ross Kelley and Ms. Cothorn. Director Schmidt also sat in on those interviews. We are bringing a recommendation to the board that the contract be awarded to HW Lockner, and that the work be done by Mr. Denny Ingham.

*Ms. Barbara Cothorn moved, Ms. Pati Otley seconded to award the consulting contract to HW Lockner Company. Mr. Sid Morrison abstained from voting due to his previous working relationship with Mr. Denny Ingham.*

**MOTION CARRIED**

**GOVERNORS BUDGET:** Andrew Johnsen discussed portions of Governor Lockes budget that affect Freight Mobility. There is one proviso that allows the FMSIB to revise it's criteria in selecting and ranking projects so we can include issues like emerging opportunity's, IT projects and what ever the board thinks is appropriate. There is also a proviso that acknowledges the legislatures recognition of geographic project distribution even though some FMSIB projects are now going to be funded with regionally allocated federal funds. There is also language that preserves the FMSIB authority authorizing the actual distribution of funding.

Mr. Morrison suggested that the PSRC should be complimented for their assistance in keeping projects alive when funding was in doubt. Director Schmidt indicated that FMSIB has sent a letter to Executive Director Drewell and the PSRC for stepping up and helping FMSIB with their projects.

Director Schmidt shared the results of the answers she received from the questionnaire used to interview Board members shortly after she started with FMSIB. The answers reflect a great deal of consistency between board members on expectations for the office and the directors job expectations. The topics where their are differing opinions will need to be discussed at a later time to come to consensus. Some of these issues will be part of the Board's retreat.

**FMSIB GOALS & MISSION STATEMENT**

The Director discussed the current Mission and Goal statement that was written for OFM prior to the Board's creation. The Board was asked to think about the language and decide if this reflects the vision of the Board or whether the Board wants to revise the Mission and Goal statement to reflect their expectations. The Board can discuss this at the retreat so there is time to review the current statement and suggest alternatives prior to the June retreat.

Mr. Morrison and his staff, assisted FMSIB in drafting a letter opposing the possible dam breaching of the Columbia/Snake Rivers. We were able to highlight some of the dam breaching issues and problems as they relate to the movement of freight, especially in Eastern Washington. FMSIB's letter and freight movement perspective were added to a growing list of opponents to the dam breaching proposal being considered by the Army Corp. of Engineers.

At our January meeting we discussed the problem with the Public Facilities District on Project #1 as it relates to the right of way issue. At that time, it was suggested that we try to put a little pressure on that issue to try and resolve the dispute. The director contacted Mr. Nebbitt and expressed the Board's position that FMSIB dollars would not be committed until all of the partnership dollars were secure and the right of way issue resolved. The letter sent to Mr. Nebbitt also discussed the statute that prohibits the expenditure of FMSIB dollars on non freight movement projects. The response from Mr. Okamoto indicates that they are making progress but, it also clearly states that they are not there yet. This clearly creates a problem for the Board if this issue is not resolved since the Board has indicated that they will not move forward until the right of way issue is resolved. Ms. Patti Otley stated that she had been told that this issue had been resolved and that the letter was helpful in resolving the issue.

**FREIGHT & GOODS STUDY:** Ms. Christine Mudgett from the County Road Administration Board gave a brief presentation on the Freight & Goods Study. If the study is funded by the legislature, the results of the inventory are expected by the end of the year. This information will be an important addition to the list of freight needs developed by DOT.

#### **RETREAT REVIEW**

Director Schmidt told the board that they would be receiving some homework material to give them some background on the current project selection priority's and how they were established. To use the Board's time efficiently at the retreat, the staff will prepare briefing books to also include the recommendations from the Cities, Counties, Ports, Trucking and Rail interests so board members will have a head start studying the issues prior to the retreat. Each of these groups will make presentations at the retreat, and will be available to answer Board questions. Because of our budget restraint some of our work will need to be done in advance. The two topics for the retreat will be the criteria and the 2001-03 budget. Our full budget will need to be submitted to OFM in August. At the retreat, the Board will write and finalize the Administrative and Capital project request. Then the Board will review it at the July meeting in the Tri-Cities for final adoption. Ms. Barbara Cothorn suggested that the Board do a conference call with those board members that would like to go over the process and how they arrived at their decisions. Director Schmidt stated that she would work with Jeri Ellis and Alan Harger at DOT who chaired that effort and see if they can put together a position paper to get it down to those details. Ms. Moser suggested that it would help if the board knew how they arrived at the scores they did on the original project criteria.

Director Schmidt thanked Mr. Johnsen and Ms. Stephanie Tax for their help with the Jump-start Budget, and briefed the board on the draft and solicited additional board input. Chairman O'Neal requested that if the board had any suggestions on this issue to share that with the Executive Director via e-mail.

**38<sup>th</sup> DISTRICT LEGISLATORS :** Joined the board for lunch. Senator Jeri Costa , Representative Pat Scott and Representative Aaron Reardon welcomed the board to Everett, and discussed projects important to their district and region. Rep. Reardon discussed an emerging issue that he wanted to work with the FMSIB staff on developing into a potential future project, and Rep Scott listed the freight and general congestion problems and identified opportunities for FMSIB and the region to work together toward solutions.

**EVERETT PROJECTS PRESENTATION:** Allan Giffen City of Everett Engineering Department gave a presentation on 41<sup>st</sup> Street, California Street and East Marine View Drive, FMSIB projects and freight needs in Snohomish County. Tina Rogers Snohomish County gave a presentation on US2 and State Route 92, critical freight corridors to consider for future funding. Dave Davis City of Everett Engineer, Port of Everett John Moore and Ed Paskovskis were available for questions.

**COLUMBIA RIVER DREDGING PRESENTATION:** Ken O'Halloran CHECK SP Executive Director Port of Longview, Diane Perry Executive Director Columbia River Channel Coalition and Bernie Bills Washington Ports manager for the project gave a presentation on the Columbia River Channel Deepening Project. This project was being developed at approximately the same time as the creation of FMSIB. While not a FMSIB project, it will clearly improve commerce on the Columbia River and is part of a statewide strategy. The project also demonstrates a project that wouldn't score highly on our current criteria and may be a subject for discussion at the retreat.

**FUTURE MEETINGS:** The Board will meet in Gig Harbor at 10 AM on June 15 & 16, 2000 for the purpose of a retreat.

**EVERETT PROJECTS SITE TOUR:** The following board members participated in the Everett project tour. Mr. Dan O'Neal, Ms. Pati Otley, Mr. Sid Morrison, Mr. David Kalberer, Ms. Barbara Cothorn, Mr. Ross Kelley, Mr. Andrew Johnsen.

*Mr. Andrew Johnsen moved, Mr. Sid Morrison seconded, to adjourn the meeting.*

**MOTION CARRIED**

**MEETING ADJOURNED 1:50 p.m.**

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**A. DANIEL O'NEAL, CHAIRMAN**

**ATTEST:** \_\_\_\_\_  
**KAREN SCHMIDT, EXECUTIVE DIRECTOR**

